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But, while Social Democrat ideas regarding the establishment of a strong unitary State in which power would be as far as possible concentrated in a single democratically elected Chamber, came to prevail in the capital, the situation in the Provinces was developing along quite different lines. New Provincial Assemblies, which had been set up in place of the old *Landtags*, had come to regard themselves as quasi-independent legislative bodies. And the central Government, still uncertain of itself, pursued a somewhat vacillating policy with regard to them.[1] For instance, although no provision was made for the participation of the Provinces as such in legislation in the Provisional Constitution of 30 October 1918,[2] and although on 14 November the State formally took over control in the Provinces,[3] the Executive Committee had, on 29 October, sent a mandate to all the Provincial Assemblies,[4] asking them to draw up provisional constitutions containing declarations of accession to the Republic. This mandate was really, as Kelsen remarked, the *reductio ad absurdum* of the extreme federalist view.[5] Some of the Provinces took no notice of it.[6] Others merely made declarations of accession.[7] None the less, a decree of 12 November took notice of the "solemn declarations of accession of the Provinces and districts of the State territory".[8]

[1] Kelsen, 'Die Verfassung Deutschösterreichs', *Jahrbuch des öffentlichen Rechts*, vol. ix. p. 25: 'In den Ländern glaubte man vielfach, ein von der Zentralregierung gänzlich unabhängiges Gesetzgebungsrecht zu haben, u. auch der Staatsrat schien kein eigentliches Sanktionsrecht den Landesgesetzebeschlüssen gegenüber in Anspruch nehmen zu wollen.'

[2] Staats Gesetz Blatt. Nr. 1, Article 2. 'Die gesetzgebende Gewalt wird von der provisorischen Nationalversammlung selbst ausgeübt.'

[3] St. G. Bl. Nr. 124.

[4] The position of these Assemblies was a somewhat anomalous one, for they were not, strictly speaking, democratic bodies, as they had been elected on the old Curia system. (See Austria-Hungary Handbooks prepared under the direction of the Historical Section at the Foreign Office, No. 1, pp. 9 and 11.)

[5] 'Die Länder sollten durch diese Erklärung einem Staate erst beitreten . . . obgleich er schor vor dieser Beitrittserklärung bereits als constituiert angesehen werden musste. Vom Standpunkt des Verfassungsbeschlusses vom 30 October, u. des Landesgesetzes vom 14 November waren diese Beitrittserklärungen nicht bloss verfassungswidrig sondern geradezu sinnlos.' *Jahrbuch des öffentlichen Rechts*, vol. ix, p. 259.

[6] Lower Austria, Tyrol. [7] Upper Austria, Vorarlberg.

[8] St. G. Bl. Nr. 23.

642 631 And on 14 November a law was passed providing for the election by local assemblies of a *Landeshauptmann* or Governor and subordinates, who were to take over all the business formerly transacted by the State officials and the Statthalter, appointed by the Emperor.[1] This meant, in effect, the abolition of the dual system, and a large measure of decentralization in administrative matters.[2]

The position as regards the relationship between the State and the Provinces throughout the first two years of the Republic was, therefore, somewhat obscure; and this state of affairs not unnaturally resulted in the strengthening of separatist feeling. Traces of this may be seen in the provisions drawn up regarding provincial legislation on 14 March 1919.[3] It was then laid down that laws passed by Provincial Assemblies required counter-signature by a Secretary of State or the Chancellor. But even if assent was refused the Provincial Assembly could, if it wished, then reintroduce and pass the bill. If, however, provincial legislation required the co-operation of the State for its implementation, the Government, acting as a whole, could refuse assent. The Government thus had a suspensive, but not an absolute veto over provincial legislation.

631 665 The different ~~opinions~~ which, as has been pointed out, prevailed in Vienna, where the Social Democrats were in power, and the Provinces, which were for the most part Christian Socialist strongholds, came to the fore strongly at the various conferences held regarding the form of the final constitution.[4]

The main demand of the Christian Socialist party, after the withdrawal of the Emperor, was that German Austria must be a federal State, in which the member States would have relatively far-reaching rights of self-government.[5] The reasons adduced by the party in support of its federalist programme

[1] St. G. Bl. Nr. 24.

[2] Eisenmann, *La Constitution Fédérale de la Republique d'Autriche* (Paris, 1924), pp. 37–8.

[3] St. G. Bl. Nr. 179. [4] See Appendix A.

[5] The views of the more extreme federalists, such as Dr. Ender, amounted in fact to a claim that Austria should become a federation of independent States.

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were various. Many of them were characterized by an appeal to the medieval past, when, it was asserted, each Province had had a virtually autonomous status.[1] The only link between them had been superimposed in course of time by the Habsburgs. When the Habsburg superstructure disappeared they reverted to their former position of independence.[2]

It was obvious, however, that the federalist policy of the Christian Socialists was inspired for the most part by more practical reasons. The party as a whole was animated by intense dislike of 'Red' Vienna, and feared that a disproportionate amount of power would fall to her, as the capital city, if a unitary State were established.

This antagonism, already in existence before the war, was sharpened by the events following on the Armistice. It was felt, for instance, that the Social Democrats, who were then in control of the Government, had made no attempt to protect the Provinces against the attacks of marauding bands of soldiers, although Vienna had had both the arms and the men necessary.[3] The secrecy of Viennese foreign policy was also mistrusted, for it was widely believed that everything was being sacrificed to the policy of *Anschluss*, a policy which the Christian Socialists regarded with increasing misgiving after the Spartacist rising of 1918 in Germany, and the subsequent Communist disturbances.[4] The economic policy of Vienna was also much disliked, and the socialization projects were strenuously resisted. Opposition in the Provinces to the requisitioning system, which had to be continued even after the Armistice, amounted at times to economic blockade.

[1] Speech by Dr. Ender at the Salzburg Provincial Conference, February 1920, *Stenographische Verhandlungschrift*, p. 28, 'Bevor Österreich-Ungarn bestanden hat, hat Tyrol bestanden, u. wird weiter bestehen'. Also, Seipel, 'Die Absonderung der Länder', *Politische Gesellschaft*, 14 May 1919, and Seipel, *Der Kampf um die österreichische Verfassung* (Wien, 1930), pp. 74–6.

[2] It was pointed out that the Provisional National Assembly had virtually recognized this fact by inviting the Provinces, on 29 October 1918, to announce their accession to the new State of German Austria. (Speech by Ehrer at the Salzburg Provincial Conference, op. cit., p. 20.)

[3] Seipel, 'Die Absonderung der Länder', *Politische Gesellschaft*, 14 May 1919, pp. 74–6.

[4] In the Draft Constitution of 12 November 1918, which was passed as a temporary measure by the National Assembly, it was stated that "German Austria is a part of the German Republic". (St. G. Bl. Nr. 5, Article 2.)

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631 665 There were, however, men in the Christian Socialist party, as, for instance, the Prälat Hauser, who saw clearly the danger of allowing particularism in the Provinces to assume too great proportions, and who realized that the future well-being of the Austrian Republic must depend upon the breaking-down of existing barriers between the peasants and the workers. But, although the federalist policy of the Christian Socialists was probably to a large extent dictated by opportunist reasons, there was a certain positive substratum beneath these. As Herr Steidle remarked at the Salzburg Provincial Conference, federalism was a form of government particularly well adapted to the German mentality, with its love for complex organizations.[1]

The Christian Socialist party devoted much attention to the composition of the Upper or Federal Chamber. The more extreme federalists were of the opinion that each member State should have equal representation, on the Swiss model, irrespective of the size of its territory or the numbers of its population, on the ground that all the Provinces were equal and independent member States of the Federation. More moderate federalists were, however, prepared to envisage some kind of differential representation, which would take such differences into account.[2] In this case also, the views of the Christian Socialists were coloured by the knowledge that their position in the small Provinces like Tyrol and Vorarlberg was

[1] 'Die deutsche Nationaleigentümlichkeit war immer auf den Foderalismus aufgebaut. Das war seit undenklichen Zeiten so, das liegt den Deutchen im Blut.' (Steidle, Salzburg Provincial Conference, op. cit., p. 48.) Cf. Seipel, *Nation u. Staat* (Wien, 1916), and Mayr, '100 Sitzung der konstituierenden National Versammlung der Republik Österreich', *Stenographisches Protokoll*, p. 3383.

[2] The populations of the nine Provinces were as follows:

Province	Area (sq. miles)	Population
Vienna	107	1,863,783
Lower Austria	7,462	1,478,697
Upper Austria	4,628	873,702
Salzburg	2,763	222,731
Styria	6,327	977,350
Carinthia	3,684	370,432
Tyrol	4,790	313,699
Vorarlberg	1,005	139,968
Burgenland	1,586	286,299

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a very strong one, whereas it was very much less strong in the large, semi-industrial Provinces, as Upper and Lower Austria.

As regards the position of the future President of the Republic, the Christian Socialists were of the opinion that he should be directly elected. This, they hoped, would enable him to adopt a more independent position *vis-à-vis* a possible Social Democrat majority in the Lower House. This proposal was, however, strongly contested by the Social Democrats, who feared that it would be the thin end of the wedge of authoritarian government.

The Christian Socialists wished provision to be made for the direct participation of the people in the business of government, through the Referendum and the Initiative.[1]

But, if it can be said of the Christian Socialists that their views on the new constitution were occasioned for the most part by the political exigencies of the moment rather than by abstract views on the best form of government, the same can certainly be said of the Social Democrats. Their opposition to federalism, for instance, was undoubtedly largely occasioned by fear of reactionary tendencies in the Provinces. They maintained that Christian Socialist contentions regarding the historic individuality of the Provinces were illusory. Most of the Provinces, they argued, had simply grown out of the inheritances of the great feudal families, and were often quite unsuitable as economic units.[2] In any case, many of them had had their boundaries so altered in the course of the war as to make ridiculous any attempt to identify them with pre-war units. The districts which remained were often so situated as to make them quite unsuitable for maintenance even as units of common administration.[3] In any case most of the so-called rights of self-government enjoyed by the Provinces had only

[1] It is interesting to find that Seipel was a particularly strong supporter of these devices. He specially approved, for instance, of the provision that minorities in three different Provinces should be enabled to join together, if by so doing they could amass the requisite 300,000 votes for an Initiative. ('Verfassungsreform u. Wirtschaftsleben', *Reichspost*, 15 February 1920. Also, Seipel, *Der Kampf um die österreichische Verfassung*, pp. 77–9.)

[2] Resel, Salzburg Provincial Conference, op. cit., p. 22.

[3] Speech by Gruener, Salzburg Provincial Conference, op. cit., p. 16; cf. Grogger, op. cit., p. 27.

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631 665 been acquired in the course of the last few months. There was now no reason for encouraging federalist sentiment since the nationality problem no longer existed and the duplication of administrative machinery would entail expenditure on a scale which the new Republic could ill afford.[1] Moreover, the National Assembly was itself only a *Landtag* of the German Reich.[2]

The Social Democrats were, however, sufficiently realist in their politics to admit that the federal principle would have to be to some extent incorporated in the new State organization. They therefore concentrated upon the mitigation of what they considered its most obvious dangers.[3]

They were strongly in favour of the introduction of the unicameral system for the legislature. In their view, if the Upper House had no power as against the Lower House, it was merely a piece of unnecessary machinery. If the Upper House had such power, and was indirectly elected, the democratic body would be made responsible to an only indirectly democratic body. If, on the other hand, the Upper House were directly elected, it would in all probability be merely a replica of the Lower House.[4] However, the party as a whole realized that the introduction of the unicameral system was not practical politics. They therefore concentrated on an attempt to eliminate, as far as possible, the federal character of the Upper House. It must be elected, they maintained, on a population basis, as it would obviously be

[1] Dolser, Salzburg Provincial Conference, op. cit., p. 50; cf. Preussler, 4th Sitzung, 14 March 1919.

[2] The Social Democrats feared that the development of a federal system would make the conclusion of an *Anschluss* with Germany more difficult, since Germany would not be prepared to recognize this arrangement.

[3] Herr Danneberg, for instance, in the debate on the final proposals laid before the Constituent National Assembly, urged that, since a federal constitution was to be adopted, the existing boundaries of the Provinces should not be considered as in any way sacrosanct, and that, in order to safeguard the democratic principle, it should be provided that, if a part of a Province having a population equal to or greater than that of Vorarlberg, wished to join another Province, or form an independent Province, they should, as provided in the new German Constitution, be permitted to do so. (100 Sitzung, Constituent National Assembly, p. 3386.)

[4] Speech by Grüber, Salzburg Provincial Conference, op. cit., p. 65.

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undemocratic to give equal representation to Provinces whose population figures were so unequal. The party also aimed at curtailing its power as far as possible.

The Social Democrats disliked the Christian Socialist project of a President directly elected by the people. They thought it better that the functions of a President should be discharged by the President of the National Council. Direct election of a President would, they feared, inevitably introduce an autocratic element into the Government.[1]

They were somewhat lukewarm in their support of direct legislation by the people through the Initiative and the Referendum, as these devices would tend, they thought, to undermine the omnipotence of the National Assembly. A dangerous element of procrastination would be introduced into the business of government and misunderstandings would inevitably occur as it was almost always impossible to answer 'yes' or 'no' to complicated legislative projects. It would be much better to let the people exercise their control by shortening the legislative period.[2]

The Social Democrats were emphatically of the opinion that the democratization of government and administration in the Provinces was the *sine qua non* of democratic progress, particularly if a federal system was to be introduced.[3]

The views of the German Nationalists need not be considered in detail, for they did not materially influence the drafting of the constitution. It may be noted, however, that they, like the Christian Socialists, showed a tendency to distrust the autocracy of the Lower House. For this reason, they were anxious to secure direct election for the President.[4] And they were prepared to envisage an even wider use of the Initiative and

[1] Speech by Danneberg, Stenographische Verhandlungschrift über die Länderkonferenz in Linz, 1920, pp. 22–3; and 100 Sitzung, Constituent National Assembly, p. 3390. It is interesting to note that Kelsen, one of the authors of the 1920 Constitution, was also strongly of the opinion that the direct election of the President would mean, in reality, a weakening rather than a strengthening of the democratic principle. (*Jahrbuch des öffentlichen Rechts*, 1920, vol. ix, op. cit., p. 281.)

[2] Danneberg, 100 Sitzung, Constituent National Assembly, p. 3396.

[3] Grüber, Linz Provincial Conference, op. cit., p. 9.

[4] 100 Sitzung, Constituent National Assembly, p. 3400.

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the Referendum than were most of the Christian Socialists.[1] Some of the Social Democrats were anxious for the establishment of an Economic Chamber which would have at least large advisory powers, side by side with the National Council and the Federal Council. In this Chamber, employers and employees should be equally represented.[2] The Social Democrats, however, wanted above all things, union with Germany.

[1] Langoth, *Stenographische Verhandlungschrift über die Länderkonferenz* in Linz Provincial Conference, April 1920, p. 11.
[2] Ibid., p. 12.

(ii) *The Federal Principle*

631 642 The same criticism may be applied to Article 2 ("Austria is a Federal State") as was applied to Article 1—namely, that it is a judgement rather than a law. Whether or not Austria was a federal State necessarily depended upon subsequent provisions in the constitution. Moreover, as Adamovich points out, the term 'federal State' is susceptible of a variety of interpretations. Kelsen, however, considered that the constitution of October 1920 could be accepted as a *bona fide* federal constitution since it provided for an organ whereby the Provinces could take part in the legislative and administrative work of the State. It differed, he thought, in this respect, from pre-war constitutions, although these had contained, in many cases, provisions of a federal nature.

But it is clear that Austria was not a federal State in the sense that there was any question of sovereignty being divided between the State and the Provinces. It was not laid down in so many words that State law takes precedence over provincial law. But the absence of this statement—probably out of deference to the prevalent federalist views—did not mean so much an accretion of strength to the Provinces as an accumulation of work for the Constitutional Court.

647 642 In considering how far the federal principle was incorporated in the 1920 constitution it may be convenient to deal first with the extent to which the Provinces participated in federal legislation, since this participation constitutes, as Kelsen points out, the essence of a federal system.

By the 1920 constitution a federal organ, the Federal Council, was set up. The Federal Council was composed of members elected by the Provincial Councils.[1] The Provincial Councils did not, however, return an equal number of members.[2] Again, the provision that the representatives

[1] Article 35.

[2] Article 34. In this respect a compromise was reached between the more extreme of the Christian Socialists who considered that the Provinces, which varied greatly in size, should none the less, as equal sovereign bodies, return an equal number of representatives, and the Social Democrats who wished representation to be on a basis strictly proportional to the population.

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a bad political counsellor', and during the remainder of his life he acted in accordance with this precept. In a speech delivered a few days before his death he spoke of the usefulness of political differences, but emphasized that from the clash of opinions the right course should emerge and common action follow: party, the part, must not usurp the role of the general welfare, which is the whole.

Common suffering at the hands of the Nazis made a great difference also. Political rivals came out of prison as close personal friends addressing one another by the familiar '*du*'. As Leopold Figl said, in the concentration camp a man did not ask his fellow-prisoner what party he belonged to, but whether he was an Austrian. Brave men endured hardship and torture in order not to betray other members of the Resistance, even if they did belong to another party. Adolf Schärf has described how by chance Felix Hurdes, once in a neighbouring cell to his own, was cross-examined about their contacts with each other. However strong party rivalry might subsequently become, such incidents as these could never be forgotten by those who had experienced them.

Another individual who contributed greatly to the success of the Provisional Government by his action and his example was Leopold Figl. In 1945 he was only forty-three, and he had none of Dr. Renner's experience of Parliament and national politics. But he had great integrity and boundless energy. As a member of the Political Cabinet Council, President of the *Bauernbund*, and Governor of Lower Austria, he was rapidly becoming the most significant figure in the People's Party. His loyal and consistent collaboration with Dr. Renner was therefore of great importance. It meant that the leaders of the two main parties, whose rivalry had been so disastrous in the past, were now working together for the good of Austria.

Besides the strong central government that Dr. Renner and his colleagues provided, the country needed a new administration. After the *Anschluss*, Vienna's functions as the administrative centre of Austria were transferred to Berlin. The city ceased to be a capital and became a province and, so far as the

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federal civil service was concerned, was left with neither offices nor officials. After 1918 Vienna had been compared to a heart from which the arteries had been severed: after 1945 Dr. Renner described it with good reason as no longer a breathing heart but a mere bundle of torn blood-vessels. Most of the local and provincial government offices survived, but had been largely filled with Nazis, many of German origin. They had either fled before the Allied armies, often burning the records before they left, or were suspended by the Allies after their arrival. The whole administrative machinery of the State, therefore, from the smallest village to the Supreme Court, had to be created anew.

The work of reconstruction was carried out in a spirit of devotion and enthusiasm under the supervision of Sektionschef Heiterer-Schaller, who was commissioned by Dr. Renner to re-organize the administration. In the early weeks it was largely a matter of improvisation and individual initiative. Personnel had to be re-assembled, premises found, and the most rudimentary equipment collected, like paper and typewriters. While the fighting was still going on, a few civil servants collected at the Chancellery in the Ballhausplatz and began clearing away the rubbish with their own hands. Then very gradually the work became more systematic. When the occupying Powers appointed committees to investigate the situation in September, it was found that a fairly adequate civil service was being built up, recruited mainly from those who had suffered under the Nazi régime and who had had previous administrative experience before the *Anschluss*.

The circumstances in which the task was undertaken could hardly have been worse. Apart from the famine and destruction, and the breakdown of all public services, the condition of the State finances was such that all officials, from the Chancellor to the office charwoman, received a salary of only 150 marks a month until the autumn of 1945. This would not have been enough to pay for the bare necessities of life, had they been available. Yet the spirit in which the task was carried out was excellent. It was a real labour of love performed from a sense

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Communist control and to emphasize the importance of professional training and experience. At his suggestion, on the 23rd of May, Dr. Pamer, a former Police President, replaced a Communist as Police President of Vienna. Finally, on the 13th of June, the whole force was formally taken over by the Police Directorate, a purely Austrian authority.

By July the Vienna police were nearly 7,500 strong, though only some 1,000 of them had had previous police experience and many still owed their position to their political opinions. In September, at British instigation, the first meeting of the Allied Public Safety Committee was called. From then on the Austrian police were under Quadripartite supervision, and the three Western Powers were able to counterbalance Russian influence.

Dr. Renner's main concern, after his first few months in office, was to ensure the real unity of Austria. The Provisional Government had announced the restoration of the Austrian Republic and declared itself to be the Government for all Austria. Yet *de facto* its authority still only extended to those parts of the country that were occupied by the Russians; that is to say, Vienna, Burgenland, Lower Austria, and parts of Upper Austria and Styria. The Chancellor's two aims were to obtain the recognition of the Four Powers for his Government and reintegrate the country under its control. The continued division carried with it real dangers. Economically, the position was absurd. In so small a country, each part was dependent on the others for its survival. But the iron of Styria was cut off from the engineering industries of the Russian zone. The salt and meat of Salzburg and the Tyrol could not be brought to Vienna, and the oil, grain, and potatoes of Lower Austria were not available to the West. It had always been difficult to feed Vienna. Yet the task had become impossible in a house, as Dr. Renner put it, 'where the larder was walled off from the kitchen by zonal frontiers'.

Since 1918 the mutual suspicion between Vienna and the provinces had been a menace to the country as a whole. The interests of the city and the rural areas were utterly different,

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and the contrast was accentuated by the fact that the capital was Socialist and the provinces largely Conservative. The isolation of Vienna from most of the provinces would therefore tend to revive an unhealthy animosity that years of common subjection to Berlin had done much to overcome. The Chancellor had every reason to fear such a development, because a movement for the formation of an Austrian government in the provinces occupied by the Western Allies had followed the liberation. This fortunately had failed. Had it succeeded, Austria might have shared the fate of Germany. Yet the attempt justified Dr. Renner's misgivings. Salzburg was the only province, outside Russian territory, that endeavoured to recognize the Provisional Government, and its overture to Vienna on the 24th of May led to a rebuke from the American Military Governor.

Conditions made it difficult to counteract separatist tendencies. The country was divided, and there were still no normal transport services between the different zones. It was easier to travel from Russian-occupied Austria to Czechoslovakia than to the Austrian western provinces; and easier to move between the cities of Salzburg and Munich, which were both occupied by the Americans, than between Salzburg and the Austrian capital. A messenger sent by Dr. Renner from Vienna to the Tyrol in May took seventeen days to make the journey and had to swim the River Enns, when he crossed the Russian frontier. An experienced member of the Resistance, well accustomed to travelling under difficulties, took a week to cover the same distance by car during the summer.

The Western Allies at first decided not to recognize the Provisional Government. They were suspicious of it as a Russian creation in which Communist influence was unduly strong. Fortunately events so developed that this decision was reversed.

On the 4th of July the Governments of the four occupying Powers reached an agreement in London setting up a Control Commission for Austria. It was to consist of an Allied Council, comprising the four Allied High Commissioners, an Executive Committee, and departmental staffs. Vienna was to be con-

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they were worthy of directing the destiny of their country and their people themselves. He was followed by Dr. Renner, who gave a vivid description of the frustration and impotence that resulted from the division of the country. Certain differences revealed themselves in the course of the discussions. Dr. Renner himself had shown centralizing tendencies as head of the Provisional Government, and Dr. Gruber, as Governor of the Tyrol, had been inclined to take an independent line. There were problems, therefore, that had to be thrashed out. But the conference, on the whole, was a great demonstration of unity. Dr. Heinrich Gleissner, the past and future Governor of Upper Austria, set the tone that prevailed and expressed the feelings of the provincial representatives in a statesman-like speech, when he spoke of the sense of home-coming they had all experienced as they climbed the steps leading into the Vienna Town Hall.

There were four immediate results. The Government was broadened to include representatives of the provinces, the most significant appointment being that of Dr. Gruber, as Under-Secretary in charge of External Affairs. A legal commission of the Provincial Conference was appointed to consider the suitability of the Provisional Government's laws for the provinces. The outlines of an economic programme were drawn up; and a recommendation was made that general elections should be held in November.

Two more Provincial Conferences were held during October, at which the provincial delegates made further important decisions. The laws and ordinances passed by the Provisional Government were accepted. It was agreed that the legislative powers of the provincial chambers under the 1929 constitution should be restored. Recommendations were made regarding procedure at the coming elections, and the exclusion of former National Socialists was proposed. The Government's economic plans were endorsed, including an appeal for help to UNRRA. Most important of all was the moral support these further meetings gave the Chancellor in his vital negotiations with the Allied Council.

those of Austria as of July 20, 1945. This was followed by the "Beamtenüberleitungs- und Staatsbürgerschaftsüberleitungsgesetz" (i.e., a law re-establishing the Austrian status of employees and citizens), the reorganization of municipal law as well as the "Nationalsozialistengesetz," known as NS, the law prohibiting national-socialism (Verbotsgesetz 1945 and the Wirtschaftssäuberungsgesetz).

Following the arrangement agreed upon by the powers, Austria was divided into four occupation zones and their divisioning settled during August, 1945. The supreme occupation and control authority is the Allied Commission for Austria in Vienna which retained a number of sovereign rights, but which little by little after 1946 transferred substantial shares of authority to the Austrian Federal Government.

At the Potsdam Conference (protocol of August 2, 1945) the powers, examining the question of extending the executive power of the provisional government (Dr. Renner) which up to then covered only the Russian occupation zone, recommended the extension of this power to cover all Austria.

In the federal provinces, meanwhile, provisional provincial governments were established and the federal provinces constituted, permitting the functioning of a provincial legislature within the jurisdiction of the constitution of 1929. At the same time the reestablishement of the Verfassungs- und Verwaltungsgerichtshof (i.e., a constitutional court) was prepared. On October 20, 1945, the Allied Commission for Austria finally authorized the provisional federal government to enact laws for all of Austria (which, however, first had to be submitted to the Allied Commission for approval).

The elections of November 25, 1945, which had been arranged by the election proclamation of the provisional government, brought about the legalization of the endeavors of the provisional government, which resigned on November 28, 1945.

1945 Election: Tally of Votes and Seats

ÖVP (Austrian Peoples Party)	1,588,444 votes	85 seats
SPÖ (Socialist Party)	1,428,441 votes	76 seats
KPÖ (Communist Party)	174,387 votes	4 seats
	3,191,272 votes	165 seats

AUSTRIA'S ECONOMIC DEVELOPMENT

439 tariffs had increased to 296 per cent of the 1913 level in Bulgaria, to 144 per cent in Yugoslavia, to 140 per cent in Roumania, and to 137 per cent in Czechoslovakia, the Austrian tariffs had actually fallen to 77 per cent of their pre-war level, a fall which, in continental Europe, was surpassed only in Sweden. But it was obvious that this policy could not be permanently maintained in face of high tariffs elsewhere. After the Geneva Conference in 1927 had failed to achieve tangible results with regard to the reduction of trade barriers, Austria too turned towards protectionism to reduce her dependence on a highly unstable world trade. The world preferred to learn the hard way.

361 What of the position of Vienna? When the new Austria, with its 6½ million people, had to take over the economic
631 and administrative centre of a 50-million empire, containing almost 30 per cent of the population of the new Republic, many people thought that this "huge head far too big for a small body" would prove an insoluble economic problem. Actually it soon turned out that the general process of readjustment, described above, also helped to solve this problem. First, it should be noted that while the percentage of the population living in the *capital* was unusually high, the percentage of the *urban* population was quite normal for an industrial country. It was smaller than, for instance, in Great Britain or Switzerland. The establishment of new commercial and government centres did, it is true, hit Vienna badly. The [464] reduction in the number of civil servants, banking and commercial employees and the unemployment among lawyers, solicitors, etc., created a burden which was mainly concentrated on the capital.

366 But apart from this particular problem which was
368 slowly—all too slowly—mended, it soon became clear that

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